

### REMARKS

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1-13 and 44-70 are pending in this application, with Claims 1, 4, 9, 44, and 45 being independent. Claims 14-43 have been canceled without prejudice.

Claims 1, 4, and 9 have been amended and Claims 44-70 have been added. Applicant submits that support for the amendments and new claims can be found in the original disclosure, and therefore no new matter has been added.

Applicant acknowledges that the Examiner has made final the restriction requirement. Non-elected Claims 14-43 have been canceled as required by the Examiner.

Applicant acknowledges with appreciation the indication that Claims 7 and 12 contain allowable subject matter and would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claim. While Applicant has not rewritten those claims in that manner, new Claims 44 and 45 have been formulated, respectively as a combination of the features of Claims 4 and 7 and of Claims 9 and 12. Since the cited art does not disclose or suggest at least the features of Claims 7 and 12, Applicant submits that Claims 44 and 45 are allowable.

The disclosure was objected to based on some informalities. Those have been addressed and favorable consideration is requested.

The drawings have been objected under 37 CFR 1.83(a) for various reasons. By a separate paper submitted concurrently herewith, Applicant requests approval to amend several of the figures. It is submitted that these amendments address all of the Examiner's objections to the drawings, and favorable consideration is respectfully requested.

Claims 1, 4, and 9 are rejected under 35.U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,002,800 (Donnelly, et al.). The dependent claims stand rejected under 35.U.S.C. §103(a) as being unpatentable over Donnelly, et al. in view of U.S. Patent No. 6,351,550 (Inaoka, et al.). Applicant respectfully traverses these rejections for the reasons presented below.

As recited in Claims 1, 4, and 9, the present invention includes, *inter alia*, the feature of comparing a determined set of spatial features to a known set of spatial features to provide a confidence level measure representing a correlation error between the spatial features of the known set and the determined set of spatial features. Applicant submits that the cited art does not disclose or suggest at least the feature of providing a confidence level measure representing a correlation error between the spatial features of a known set and a determined set of spatial features.

In this regard, Applicant respectfully disagrees that Donnelly, et al. discloses a confidence level measure at column 7, lines 50-65. The “merit value” disclosed in that patent is calculated to assess possible positions of a template on a bank note that has been scanned. The merit value is a product of a template’s “entropy” and “flatness.” The entropy is a measure of template brightness. This step is used to determine how useful the template will be (col. 7, lines 62-63) and does not result in providing a confidence level measure representing a correlation error. Accordingly, Applicant submits that Donnelly, et al. does not disclose or suggest at least the above-mentioned claim feature. In this regard, Applicant submits that Donnelly, et al. corresponds to European Patent Publication no. EP 0744 705 A2 identified in the Background section of the specification.

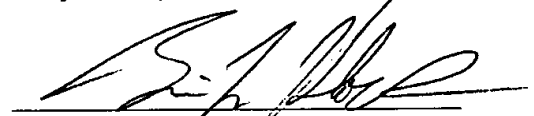
Applicant submits that the other cited art likewise fails to disclose or suggest at least the above-mentioned claim feature, and therefore it does not remedy the deficiencies of Donnelly, et al.

For the foregoing reasons, Applicant submits that Claims 1, 4, and 9 are also allowable. The dependent claims are believed to be allowable for at least the same reasons as the independent claims, as well as for the additional features they recite.

In view of the foregoing, Applicants submit that this application is in condition for allowance. Favorable reconsideration, withdrawal of the outstanding rejections, and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,



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